

Message Text

UNCLASSIFIED

PAGE 01 MANILA 18934 01 OF 02 011311Z
ACTION EA-12

INFO OCT-01 ISO-00 OPR-02 A-01 (ISO) W
-----004696 100612Z /42

R 010919Z DEC 77
FM AMEMBASSY MANILA
TO SECSTATE WASHDC 8603

UNCLAS SECTION 1 OF 2 MANILA 18934

FOR MORAN EA/EX AND DUPRE A/O FROM MURPHY

E.O. 11652: N/A
TAGS: AREC
SUBJECT: COMMISSARY LOAN

1. SUMMARY. IN VIEW OF THE POOR SANITARY CONDITIONS THAT EXIST AT THE U.S. EMPLOYEE'S ASSOCIATION (USEA) RESTAURANT, WE ARE REQUESTING THE DEPARTMENT'S ASSISTANCE FOR A NO-INTEREST \$75,000 LOAN TO BE REPAID OVER A THREE-YEAR PERIOD AT \$2,000 PERMONTH. END SUMMARY.

2. AT RECENT RECEPTION HELD ON CHANCERY GROUNDS AND CATERED BY USEA OVER THIRTY INVITED GUESTS ARE KNOWN TO HAVE BEEN TAKEN ILL FROM CONTAMINATED OFFD DUE TO INADEQUATE USEA FACILITIES AND PRACTICES. EMERGENCY MEASURES HAVE BEEN INSTITUTED TO IMPROVE USEA PROCEDURES BUT EQUIPMENT DEFICIENCIES REMAIN AND PRECLUDE FULLY SATISFACTORY SANITARY CONDITIONS.

3. FOR THE DEPARTMENT'S INFORMATION THE PRESENT USEA FACILITY WAS OCCUPIED IN JULY 1971 AT WHICH TIME 85 PCT. OF THE EQUIPMENT PLACED IN THIS NEW FACILITY WAS OLD AND ANTIQUATED. SINCE THEN NO MAJOR REPAIRS OR REPLACEMENT HAVE BEEN MADE (EXCEPT FOR TOKEN REPLACEMENTS OVER PAST 12 MONTHS) TO THIS MALFUNCTIONING KITCHEN EQUIPMENT EVEN THOUGH THE BOARD OF
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 MANILA 18934 01 OF 02 011311Z

GOVERNORS AND THE GENERAL MANAGER HAVE RECOMMENDED IMMEDIATE REPLACEMENT ON MANY OCCASIONS BUT IN EACH INSTANCE THE RECOMMENDATIONS WERE DEFERRED.

4. TO CORRECT EXISTING SANITARY AND OPERATIONAL DEFICIENCIES AN OUTLAY OF \$75,000 IS REQUIRED.
THERE FOLLOWS A LISTING AND PRICES OF THE EQUIPMENT

NEEDED NOW IF WE ARE GOING TO CONTINUE TO OPERATE
THIS FACILITY.

QUANTITY	ITEM	COST
1 EACH	WALK-IN FREEZER VULCAN FLOORLESS 12' X 8' 3 HP COMPRESSOR	\$ 6,000
18 EACH	STAINLESS STEEL SHELVES RACKS FOR FOR REFRIGERATION UNITS \$300 EACH	5,400
1 EACH	DISHWASHING MACHINE VULCAN MODEL A-64-3 TWO TANK RACK CONVEYOR TYPE	5,600 (EST)
1 EACH	FINAL RINSE TEMPERATURE BOOSTERS FOR MODEL A-64-3	600 (EST)
1 EACH	STEAM WASHING UNIT FOR GARBAGE	1,600 (EST)
2 EACH	RANGE MATCHING FRYERS 17" WIDE VULCAN MODEL 7891 \$675 EACH FOR LP GAS W/S FRONT	1,350
1 EACH	MILK SHAKE MACHINE TRIPLE HEAD	370
1 EACH	COMMERCIAL TOASTERS (\$370 EACH)	370
2 EACH	STAINLESS STEEL KITCHEN WORK TABLES	460

UNCLASSIFIED

PAGE 03 MANILA 18934 01 OF 02 011311Z

\$230 EACH

2 EACH	VULCAN HI-INPUT OPEN TOP GAS COOKING RANGE MODEL NO. 7680 A WITH OVEN STAINLESS STEEL FRONT WITH SHELVES \$1,000 EACH	2,000
2 EACH	VULCAN HI-INPUT GRILL TOP GAS COOKING RANGE (IN BATTERY) MODEL 7680 A WITH OVENS (STAINLESS STEEL FRONT) WITH SHELVES	2,700
1 EACH	VULCAN DECK ROASTING OVENS SECTIONS, 2 COMPARTMENTS, 2 CONTROLS MODEL 7099 A1 VULCADOR PERMA FINISH 12 1/4" HIGH COMPARTMENTS	1,806
1 EACH	WEQCO GAS HEATED STEAM TABLE	2,400
1 EACH	REACH-IN FREEZER 2 DOOR VULCAN TOP MOUNTED SELF-CONTAINED UNIT	2,500
2 EACH	MOBILE REFRIGERATED FOOD CARRIERS	1,500 (EST)

2 EACH	MOBILE HOT FOOD CARRIERS	966.80
1 EACH	VULCAN SUN GLOW INFRA-RED SINGLE DECK DECK FREE STANDING BROILER	1,877.52
1 EACH	MICRO-WAVE OVEN ELECTRIC MENU MASTER HEAVY DUTY	2,353.66
1 EACH	ICE CREAM CABINET	630.00
1 EACH	MEAT SLICER TOAST MASTER	1,385.74
1 EACH	ICE MACHINE 1,600 LB. CAP.	9,065.05

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 MANILA 18934 01 OF 02 011311Z

1 EACH	MEAT GRINDER	2,144.40
37 EACH	KITCHEN FLOOR MATTING	1,951.25
1 EACH	FAT ANALYZER	166.30
1 EACH	PORTABLE FOOD WARMING LAMP	85.00
3 EACH	VULCAN REACH-IN REFRIGERATOR	6,702.00
1 EACH	VULCAN REACH-IN FREEZER	2,952.00
ASSORTED KITCHEN SMALL TOOLS - POTS & PANS, ETC.		5,000.00

TOTAL		\$77,824.72

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 MANILA 18934 02 OF 02 011318Z
ACTION EA-12

INFO OCT-01 ISO-00 OPR-02 A-01 /016 W
-----019583 011508Z /42
R 010919Z DEC 77
FM AMEMBASSY MANILA
TO SECSTATE WASHDC 8604

UNCLAS SECTION 2 OF 2 MANILA 18934

FOR MORAN EA/EX AND DUPRE A/O FROM MURPHY

5. THE REGIONAL MEDICAL OFFICER (RMO) AND THE U.S. CLOSED DOWN THE USEA BANQUET AND CATERING DEPARTMENT FOR ALL FUNCTIONS OUTSIDE OF THE PRESENT USEA FACILITIES. THIS FACILITY WILL REMAIN CLOSED UNTIL THE CLUB'S REFRIGERATION AND KITCHEN EQUIPMENT HAVE MET THE SANITARY STANDARDS AS PRESCRIBED BY THE RMO.

6. OVER THE PAST TWELVE MONTHS USEA HAS ALREADY PURCHASED REPLACEMENT EQUIPMENT TOTALING \$34,000 FOR SUCH ITEMS AS REACH-IN FREEZERS, CHILLERS AND ICE MAKERS THAT WERE BEYOND REPAIR. HOWEVER, THERE IS NO POSSIBLE WAY THAT USEA CAN ABSORB THE ADDITIONAL \$75,000 COSTS AS SHOWN BY THE FOLLOWING STATEMENT OF CASH POSITION EFFECTIVE OCTOBER 31, 1977.

CASH ON HAND	\$ 33,876.46
CASH IN BANK	
DOLLAR CURRENT ACCOUNT	45,406.69
PESO CURRENT ACCOUNT	8,269.68
DOLLAR SAVINGS ACCOUNT	23,868.73
INVESTMENT CERTIFICATE OF DEPOSIT	25,000.00
FIXED DEPOSIT DOLLAR SAVINGS ACCOUNT	25,000.00

TOTAL USEA CASH BALANCE	\$161,421.56

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 MANILA 18934 02 OF 02 011318Z

AS OF OCTOBER 31, 1977, USEA HAS A CASH BALANCE OF \$161,421.56. HOWEVER, THE FOLLOWING COULD NOT BE AVAILIED OF TO MEET CURRENT OBLIGATIONS:

INVESTMENT CERTIFICATE OF DEPOSIT	25,000.00
FIXED DEPOSIT DOLLAR SAVINGS ACCOUNT	25,000.00
CASH ON HAND	33,876.46

	\$ 83,876.46

TOTAL USEA CASH BALANCE	\$161,421.56
LESS: RESTRICTED CASH BALANCES	83,876.46

CASH AVAILABLE FOR PAYMENT OF OBLIGATIONS	\$ 77,545.10

AS OF OCTOBER 31, 1977, USEA HAS ONLY \$77,545.10 AVAILABLE CASH TO PAY CURRENT OBLIGATIONS. THE TRADE ACCOUNT BALANCE ALONE IS \$202,825.66. THIS MEANS THAT FOR EVERY \$1.00 OBLIGATION, USEA HAS ROUGHLY \$.40 TO PAY FOR IT.

I. CAUSES OF THE UNFAVORABLE CASH POSITION:

1. PURCHASE OF NEW URGENTLY NEEDED EQUIPMENT FOR THE USEA FACILITY IN THE FOLLOWING AMOUNT: \$34,401.55

2. INCREASE IN THE OPERATING EXPENSES WITHOUT ANY CORRESPONDING INCREASE IN MARK-UP.

3. INCREASE IN LABOR COSTS AS FOLLOWS:

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 MANILA 18934 02 OF 02 011318Z

A) INCREASE OF THE MONTHLY LIVING ALLOWANCE BY 120 PCT. AS PROVIDED FOR BY A PRESIDENTIAL DECREE WHICH TOOK EFFECT ON MAY 1, 1977.

B) INCREASE OF THE SALARIES AND WAGES BROUGHT ABOUT BY THE ANNUAL IN-GRADE EVALUATION.

C) GENERAL INCREASE OF THE SALARIES AND WAGES AS A RESULT OF A WAGE SURVEY WHICH TOOK EFFECT ON OCT. 24, 1977.

4. INCREASE IN MERCHANDISE INVENTORY DUE TO CARRYING OF ADDITIONAL STOCKS SUCH AS HOLIDAY ITEMS TO PROVIDE GREATER VARIETY FOR THE SATISFACTION OF THE SHOPPING MEMBERS AND IN VIEW OF THE COMING HOLIDAY SEASON.

7. THIS MISSION IS IN URGENT NEED OF THE DEPARTMENT'S SUPPORT TO PROVIDE THE \$75,000 NO-INTEREST LOAN TO BE REPAYED IN THE NEXT THREE YEARS AT THE RATE OF \$2,000 PER MONTH. WE WOULD APPRECIATE AN INTERIM REPORT FROM THE DEPARTMENT ON HOW LONG IT WILL TAKE TO MAKE THIS LOAN DECISION AND WHAT OTHER FORMALITIES ARE REQUIRED SUCH AS TYPE OF REPAYMENT AGREEMENT REQUIRED BY THE CENTRAL COMMISSARY FUND IN WASHINGTON.
NEWSOM

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DIPLOMATIC REPRESENTATIONS, CHIEF OF STATE VISITS
Control Number: n/a
Copy: SINGLE
Sent Date: 01-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MANILA18934
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770460-0119
Format: TEL
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t197712105/aaaadlia.tel
Line Count: 270
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b7f6cefb-c188-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 26-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 113534
Secure: OPEN
Status: NATIVE
Subject: COMMISSARY LOAN
TAGS: MPOL, AREC, XF, MU, EG, IS, (SADAT, ANWAR)
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/b7f6cefb-c188-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009